



General Assembly

Substitute Bill No. 5540

February Session, 2004

* HB05540GL 030904 *

AN ACT CONCERNING ITEMS ON CONSIGNMENT.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (NEW) (*Effective October 1, 2004*) (a) As used in this
2 section:

3 (1) "Consignor" means any person who delivers personal property
4 to a consignee for the purpose of sale to the public on a commission or
5 fee or other basis of compensation, and is not in the regular business of
6 placing such personal property for sale; and

7 (2) "Consignee" means a dealer who receives and accepts personal
8 property from a consignor for the purpose of sale to the public on a
9 commission or fee or other basis of compensation.

10 (b) A contract between a consignor and consignee for the sale of
11 personal property valued at one thousand dollars or more shall
12 include a provision that the consignor may protect his or her interest in
13 the personal property by filing a Uniform Commercial Code 1
14 financing statement with the Secretary of the State, and that absent
15 such filing the property may be subject to seizure if the consignee
16 declares bankruptcy.

This act shall take effect as follows:

Section 1	<i>October 1, 2004</i>
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GL *Joint Favorable Subst.*